

Message Text

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22

ORIGIN EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 COME-00 STR-04 TRSE-00

FEA-01 AGR-05 CEA-01 CIAE-00 DODE-00 FRB-03 H-02

INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 ITC-01 USIA-06 PRS-01 SP-02 OMB-01

AGRE-00 AF-08 ARA-06 EA-07 NEA-10 /137 R

DRAFTED BY EB/OT/TA:DMGRIMMER:STMCP

APPROVED BY EB/OT/TA:DJDUNFORD

COMMERCE:ASTOLER

STR:DWHITNACK

TREASURY:WBARREDA

EUR/CAN:DBLAKEMORE

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R 132148Z SEP 76

FM SECSTATE WASHDC

TO USMISSION GENEVA

INFO AMEMBASSY OTTAWA

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E.O. 11652: N/A

TAGS: ETRD, GATT, CA

SUBJECT: CANADIAN SURTAX UNDER ARTICLE XIX ON POLYESTER
FILAMENT YARN

1. SINCE THE U.S. IS THE LARGEST EXPORTER OF POLYESTER
FILAMENT YARN TO CANADA, US DEL IS REQUESTED TO INFORM
CANADIAN DEL THAT U.S. CONSIDERS ITSELF A SUBSTANTIAL
SUPPLIER OF THIS PRODUCT AND WISHES TO CONSULT WITH THE
GOC UNDER ARTICLE XIX:2 CONCERNING THE CANADIAN SURTAX
NOTIFIED TO THE GATT IN L/4374. THE GOC STATES THAT THE
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ACTION WAS TAKEN IN RESPONSE TO HIGH AND INCREASING

LEVELS OF IMPORTS PRICED BELOW MANUFACTURERS COSTS WHICH HAVE LED TO EXCESS INVENTORIES, REDUCED CAPACITY OPERATIONS, AND MASS LAYOFFS. HOWEVER, A MAY 1976 REPORT OF THE CANADIAN TEXTILE AND CLOTHING BOARD INDICATES THAT DECREASED MARKET DEMAND FOR THESE PRODUCTS HAS ALSO CONTRIBUTED TO THE PROBLEMS IN THAT SECTOR. IN MID-JULY THE GOC ALSO INITIATED AN ANTI-DUMPING PROCEEDING ON TEXTURED AND BULK POLYESTER FILAMENT YARNS FROM THE UNITED STATES AND EIGHT OTHER SIGNIFICANT SUPPLIERS OF THESE PRODUCTS AND THIS INVESTIGATION IS CONTINUING.

2. IN PRELIMINARY CONSULTATION WITH CANADIAN DEL, U.S. DEL SHOULD DETERMINE PROSPECTS FOR AN EARLY REMOVAL OF THE MEASURE. ALTHOUGH THIS MEASURE WAS ADOPTED BY AN ORDER IN COUNCIL FOR A PERIOD OF 180 DAYS BEGINNING JULY 8, WE UNDERSTAND THAT AN ACT OF PARLIAMENT WOULD BE NECESSARY TO EXTEND IT BEYOND THAT. SHOULD CANADA FAIL TO NOTIFY GATT OF INTENTION TO REMOVE SURTAX BY THE END OF SEPTEMBER, U.S. DEL SHOULD SEEK AN EXTENSION OF THE 90 DAY PERIOD PROVIDED FOR IN XIX 3 (A). WE ARE POUCHING COPY OF TEXTILE AND CLOTHING BOARD REPORT NOTED ABOVE. ROBINSON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DIPLOMATIC DISCUSSIONS, EXCISE TAXES, SYNTHETIC FIBERS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ellisoob
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
Errors: N/A
Film Number: D760345-1206
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Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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Review Date: 14 APR 2004
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Review Exemptions: n/a
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Margaret P. Grafeld
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TAGS: ETRD, EPAP, CA, US, GATT
To: GENEVA
Type: TE
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